

State Representative

Pat Bauer

Representing St. Joseph County



How To Reach
Representative

Pat Bauer

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Dear Friends,

The One Hundred and Eleventh Indiana General Assembly has had many accomplishments, including more than \$974 million in tax cuts, and increases in funding for public schools and the CHOICE home health care program. We also set aside \$20 million from the tobacco settlement funds to help senior citizens on lower incomes purchase prescription drugs.

I have detailed several of these items in this newsletter along with providing a breakdown of the various Build Indiana projects and the additional funding for roads in our district.

This will be my last official newsletter until after the November election. However, I am still available to assist with problems, concerns or questions with state government. Please contact my office at 1-800-382-9842 if you need assistance.

Sincerely,

A handwritten signature in blue ink that reads "Pat". The letters are stylized and connected.

Building District 6

ROAD FUNDING

**Additional \$200 million
will help build and
repair local roads**

TAX CUTS

**\$1.5 billion in tax cuts
since 1997**

BUILD INDIANA FUNDS

**Lottery profits help
communities with
special projects**

*** DETAILS INSIDE ***

An update from Rep. Pat Bauer

ROAD FUNDING

We approved an additional \$200 million to build and repair local roads in last year's state budget. This funding is in addition to regular funding. Here is the breakdown for our district.

St. Joseph County	\$4.38 million
Indian Village	\$6,468
Mishawaka	\$1.28 million
Roseland	\$24,757
South Bend	\$3.32 million

The amount listed for each city is in addition to the county total. The funds are distributed based on road mileage and population.

Tax cuts benefit families



Homeowners and Renters

Property taxes on a taxpayer's principal place of residence can be deducted on state income taxes up to \$2,500. The renters' [income tax deduction](#) was increased from \$1,500 to \$2,000. The county welfare funds and the county welfare administration funds were eliminated from local property taxes.

Families and children

The [income tax deduction](#) was increased from \$1,000 to \$2,500 for dependent children under age 19 and full-time students under age 24. You may reduce your Indiana adjusted gross income for each qualifying dependent.

A new \$100,000 deduction has been provided for each "Class A" beneficiary, which includes a child, parent, grandchild or grandparent to reduce the [inheritance tax](#).

Senior Citizens

The [income tax deduction](#) for seniors with adjusted gross incomes less than \$40,000 per year was increased from \$1,000 to \$1,500. Each qualified taxpayer may take this deduction — meaning married senior couples may now deduct \$3,000 from their adjusted gross income.

Many seniors also received an increase in the [property tax deduction](#) from \$1,000 to \$2,000. The basic eligibility qualifications have been expanded to include senior citizens with a maximum adjusted gross income of \$25,000 and who own property with a maximum assessed valuation of less than \$23,000. However, there are some limitations to the deduction. (1) Everyone who lives on the property must be 65 or older. The deduction is reduced if everyone is not 65. (2) Individuals who share ownership must reside on the property. However, living in a nursing home or hospital will not prevent a person from receiving this deduction. (3) You may not receive any other deductions other than the Mortgage Deduction and the Homestead Deduction.

The legislature also established a new state income tax deduction for the amount of [long-term health care](#) insurance premiums on qualified policies.

Personal property tax cuts

Tax cuts total almost \$210 million

In the last budget year, the Indiana General Assembly enacted inventory tax cuts which will provide relief for mobile home, farm and small business owners across the state. By enacting this credit which covers both equipment and inventory, we eliminated inventory taxes for 87 percent of the businesses and farms in Indiana.

In the 1999 session, legislators approved a plan that provided a credit for property taxes paid on the first \$12,500 of assessed valuation on personal property, including inventory, mobile homes, and farm and manufacturing equipment.

Unemployment taxes reduced

In 2000, we cut the amount paid by employers into the unemployment compensation fund by approximately \$108 million. That decrease was part of legislation that also provides Indiana workers who lose their jobs with an increase in unemployment benefits of 33 percent over the next three years.

“Add-back” eliminated

Businesses and farms no longer have to “add-back” property taxes deducted on their federal returns.



CHOICE home health care

Increased funding allows more seniors to remain in their homes

Indiana provides CHOICE in-home services like health care, home cleaning, nutrition, and transportation to permit people who are elderly or disabled to remain in their home instead of being forced into a nursing home.

CHOICE services are provided free to persons with incomes under 150% of the federal poverty level and on a sliding scale for those with incomes up to 350% of the poverty level.

The CHOICE program is a cost-efficient program for the state. The average cost per month for services is about \$600, while the same cost to the state under Medicaid for intermediate nursing home care is over \$2,300.

BUILD INDIANA PROJECTS

DISTRICT 6

Since 1989, \$229.9 million has been distributed statewide from lottery profits for Build Indiana Projects. The organizations and projects listed below received appropriations in the last biennial budget.

Center for the Homeless -- \$100,000

St. Joseph Co. road/drainage project -- \$300,000

Urban League of South Bend and St. Joseph County -- \$25,000

Colfax Campus/South Bend Heritage Foundation -- \$40,000

Potawatomi Zoological Society -- \$50,000

Transpo Amtrak Station -- \$1.5 million

Morris Civic Center -- \$150,000

Studebaker Museum -- \$250,000

St. Joseph County Gilmer Park -- \$400,000

Hoosier Healthwise

Hoosier Healthwise offers health care to children, pregnant women and low-income working families. Each child has a personal doctor -- known as a Primary Medical Provider or PMP. Each child's doctor works with the parent to plan for all of the health care needs of the child, including routine check-ups, immunizations, screenings, diagnoses and treatment. Hoosier Healthwise also offers access to dental care.

Families making up to 200 percent of the federal poverty level (equal to about \$34,000 for a family of four) may qualify for Hoosier Healthwise. To find out if you qualify, contact Hoosier Healthwise at 1-800-889-9949.

The Children's Health Insurance Program (CHIP) was created as part of the Federal Balanced Budget Act of 1997. Congress created CHIP as a way to encourage states to provide health insurance to uninsured children. In 1998, Indiana enacted legislation creating the Hoosier Healthwise program for children. More than 115,000 children have been added to the program since 1998. This sizable addition resulted in Indiana having the largest Medicaid enrollment increase of any state.

Hoosier Healthwise Helpline 1-800-889-9949.

How to apply

1. Have an application mailed to you by calling 1-800-889-9949.
2. Fill out and sign the application.
3. Turn in the application by mailing it, taking it to an enrollment center or taking it to your local office of the Division of Family and Children.
4. Once your application is reviewed, you will receive a packet of information on the program and be assigned a Benefit Advocate.



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Call the Statehouse toll-free

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